

NEWBURGH



INDUSTRIAL DEVELOPMENT AGENCY

83 Broadway, Newburgh, NY 12550

(845) 569-7369 idadirector@cityofnewburgh-ny.gov

BOARD MEETING

6:00 p.m., Monday, April 15, 2024
83 Broadway, 3rd floor, Newburgh, NY

AGENDA

1. Roll Call
2. Proof of Notice of Meeting
3. Reading and approval of minutes of the previous meeting
4. Report of the Treasurer
Approval of Treasurer's Report for March 2024
Approval of payment of bills for March 2024
Audit for 2023
5. Chairman's Report
6. Counsel's Report
7. Executive Director's Report
8. Executive Session to discuss the matters related to the sale of lease of real property
9. New Business

Resolution # 2024-04-15-01, Audit and Investment Report for 2023

Resolution # 2024-04-15-02 Second Public Hearing for IV 5 Newburgh South Logistics Center, LLC

Resolution # 2024-04-15-03 5 Scobie Drive – Fourth Amendment to Contract

Resolution # 2024-04-15-04 Authorizing the Agency to Execute a Contract of Sale for Real Property

10. Old Business
11. Adjournment

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY
Resolution No. 2024-04-15-01

**RESOLUTION CONFIRMING 2023 CERTIFIED ANNUAL AUDIT AND 2023 INVESTMENT
REPORT**

A meeting of City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, Newburgh, New York on April 15, 2024, at 6:00 o'clock p.m., local time.

The meeting was called to order by the Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Marlon Ramos	Chairperson
Christina Amato	Vice Chairperson
Adam Pollick	Treasurer
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanayah Pearson	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act” or the “Act”) and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, and research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic

deterioration ; and

WHEREAS, under Section 858 of the Act, the Agency has the power to approve certain administrative matters; and

WHEREAS, the Agency has received the 2023 Certified Annual Audit of the Agency as prepared by the Agency's independent auditor and the 2023 Investment Report of the Agency; and

WHEREAS, the members of the Agency have reviewed and considered the findings of the 2023 Certified Annual Audit of the Agency as prepared by the Agency's independent auditor and the 2023 Investment Report of the Agency.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby approves and confirms the 2023 Certified Annual Audit of the Agency and the 2023 Investment Report of the Agency; and

Section 2. The Agency hereby authorizes the Chairperson and the Executive Director to certify the submission of the 2023 Annual PARIS Report to the New York Authorities and Budget Office and the New York Office of the State Comptroller.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Marlon Ramos	VOTING	_____
Christina Amato	VOTING	_____
Michael Kelly	VOTING	ABSENT
Adam Pollack	VOTING	_____
Gregory Nato	VOTING	_____
Theresa Priester	VOTING	_____
Robin Yanyiah Pearson	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

DRAFT

STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

I, the undersigned Secretary of City of Newburgh Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on April 15, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this __ day of April, 2024.

Secretary

(SEAL)

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2024-04-15-02

RESOLUTION AUTHORIZING THE CHAIR OR ANY VICE CHAIR OR ANY OFFICER OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A CONTINUATION OF THE PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF IV5 NEWBURGH SOUTH LOGISTICS CENTER, LLC.

A regular meeting of the City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, 3rd Floor, Newburgh, New York (the “City Hall”) on April 15, 2024, at 6:00 o'clock p.m., local time.

The meeting was called to order by the Chairperson of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Marlon Ramos	Chairperson
Christina Amato	Vice Chairperson
Adam Pollick	Treasurer
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanyiah Pearson	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by Christina Amato, seconded by Yanyiah Pearson, to wit:

Resolution No. 2024-04-15-

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act” or the “Act”) and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on October 11, 2023, IV5 Newburgh South Logistics Center LLC, a Delaware limited liability company, or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the "Company"), submitted an application to the Agency, which application has been updated by the Company prior to this meeting (collectively, the “Application”), a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the acquisition of an interest in a parcel of real property consisting of approximately 49.60 acres located at 700 South Street, Newburgh, New York (the “Land”), (2) the construction and improvement of a new warehouse distribution building on the Land totaling approximately 416,320 square feet (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Facility, and the Equipment hereinafter collectively referred to as the “Project Facility”), (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company requests the following Financial Assistance: a) a ten (10) year payment in lieu of tax agreement (“PILOT”) at an estimated value of Four Million One Hundred Eighty-Five Thousand Six Hundred Fifty-Nine Dollars (\$4,185,659.00); b) an exemption from mortgage recording taxes at an estimated value of Two Hundred Eighty Thousand Eight Hundred Eighteen Dollars (\$280,818.00); and c) an exemption from New York State sales and compensating use taxes at an estimated value of One Million Five Hundred Seven Thousand Five Hundred Dollars (\$1,507,500.00); and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance”, the Agency must obtain a written cost-benefit analysis of the Project, and

WHEREAS, the Agency has previously engaged a third-party municipal services firm, MRB Group, which assessed the Project and developed a written cost benefit analysis which identified the

following economic impact and benefits to the City of Newburgh from the Project: a) the construction phase of the Project will create 105 jobs that generate \$9,200,000.00 million in wages; b) the Project will result in 254 permanent jobs earning \$19,900,000.00 in wages on an annual basis; c) Orange County will benefit from additional, one-time sales tax revenue of \$60,433.00 associated with construction wages earned during the construction phase and additional sales tax revenue of \$1,400,000.00 related to new wages earned from permanent jobs; d) the Project will generate an increase of \$5,300,000.00 in additional property tax revenue on the current taxes for Orange County, the City of Newburgh, and the Newburgh Enlarged City School District which in total, the fiscal benefits of the Project will be approximately \$6,800,000.00 over the life of the PILOT; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project by holding a public hearing for the Project; and

WHEREAS, during a regular meeting held on February 21, 2024, the Agency passed Resolution No. 2024-02-21-01 authorizing the Agency to cause a public hearing to be held to hear all persons interested in the Project; and

WHEREAS, the Executive Director scheduled a public hearing for the Project to be held on March 18, 2024, at City Hall, at 6:00 pm, local time (“Public Hearing”); and

WHEREAS, the Executive Director caused notice of the Public Hearing to be (A) mailed on March 6, 2024 to the chief executive officers of Orange County, the City of Newburgh and the Newburgh Enlarged School District; (B) published on March 6, 2024 in the Times Herald Record, a newspaper of general circulation available to the residents of the City of Newburgh, Orange County, New York; and (C) posted on February 29, 2024 on the Agency’s website and also on a public bulletin board located at City Hall; and

WHEREAS, the Agency conducted the Public Hearing on March 18, 2024, at City Hall, at 6:00 pm, local time; and

WHEREAS, during the Public Hearing, the Agency did not receive any statements for the record relating to the involvement of the Agency with the Project; and

WHEREAS, the Agency has determined to continue the Public Hearing to provide another opportunity to hear all persons interested in the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chair, any Vice Chair or Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for the continuation of the Public Hearing of the Agency to hear all persons interested in the Project (the “Second Public Hearing”); (B) to cause the Second Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Second Public Hearing to be given to the public by publishing a notice or notices of such Second Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Second Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct or cause the holding of such Second Public Hearing; (E) to cause a report of the Second Public Hearing fairly summarizing the views presented at such

Second Public Hearing (the “Report”) to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chair, any Vice Chair and/or Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chair, any Vice Chair and/or Officer of the Agency in connection with the Second Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Marlon Ramos	VOTING	
Christina Amato	VOTING	
Michael Kelly	VOTING	ABSENT
Adam Pollick	VOTING	
Gregory Nato	VOTING	
Theresa Priester	VOTING	
Robin Yanyiah Pearson	VOTING	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

I, the undersigned Secretary of the City of Newburgh Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that

I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on April 15, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ___ day of April 2024.

Secretary

(SEAL)

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2024-04-15-05

**RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE
A CONTRACT FOR THE SALE OF THE REAL PRPOERTY LOCATED AT
145 BROADWAY, NEWBURGH, NEW YORK**

A regular meeting of City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, Newburgh, New York on April 15, 2024, at 6:00 o'clock p.m., local time.

The meeting was called to order by the Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Marlon Ramos	Chairperson
Christina Amato	Vice Chairperson
Adam Pollick	Treasurer
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanyiah Pearson	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter

collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Agency owns certain real property located at 145 Broadway, Newburgh, New York (commonly referred to as “The Armory”) by deed from the City of Newburgh; and

WHEREAS, the Agency has received a letter from the Office of the City Manager, City of Newburgh dated November 6, 2023 (the “City Manager Letter” attached as **Exhibit A**) requesting the transfer of title to The Armory to the City of Newburgh for municipal purposes and for a nominal consideration; and

WHEREAS, on November 27, 2023, Agency counsel requested additional information from the City Manager (**Exhibit B**); and

WHEREAS, the City Manager has responded to Agency counsel on December 8, 2023 (**Exhibit C**); and

WHEREAS, in considering the City Manager Letter and response, the Agency has reviewed its Property Disposition Policy, the Public Authorities Law and the Public Authorities Accountability Act; and

WHEREAS, the Agency desires to consent to the transfer of The Armory in accordance with the City Manager Letter and instruct its counsel to negotiate the terms of a contract of sale with the City of Newburgh.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chair, Vice Chair and/or the Executive Director of the Agency to execute the Contract of Sale Agreement substantially in the form attached as **Exhibit D**.

Section 2. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Marlon Ramos	VOTING	_____
Christina Amato	VOTING	_____
Michael Kelly	VOTING	ABSENT
Adam Pollick	VOTING	_____
Gregory Nato	VOTING	_____
Robin Yanyiah Pearson	VOTING	_____
Theresa Priester	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

I, the undersigned Secretary of City of Newburgh Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on April 15, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of April, 2024.

Secretary

(SEAL)

EXHIBIT A



CITY OF NEWBURGH

Office of the City Manager

83 Broadway, Newburgh, New York 12550
(845) 569-7301 • www.cityofnewburgh-ny.gov

November 6, 2023

Mr. Marlon Ramos
Chairperson, City of Newburgh IDA
83 Broadway, 3rd Floor
Newburgh, New York 12550

Re: Property Transfer Request

Dear Mr. Ramos:

The City of Newburgh hereby requests the transfer of real property known as 145 Broadway (Section 36, Block 3, Lot 1.2) from the City of Newburgh Industrial Development Agency to the City of Newburgh for municipal purposes and for nominal consideration.

The City recognizes that such transfer would be subject to a contract of sale and may require an amendment to the IDA's real property disposition policy.

The City appreciates your assistance in bringing this request before the IDA Board for consideration and swift resolution.

Sincerely,

Todd Venning
City Manager/CEO

cc: City Council
IDA Board
Cherisse Vickers
Robert McLaughlin, Esq.
Jeremy Kaufman, Esq.

EXHIBIT B

WHITEMAN
OSTERMAN
& HANNA LLP

Attorneys at Law
www.woh.com

One Commerce Plaza
Albany, New York 12260
518.487.7600 phone
518.487.7777 fax

Robert J. McLaughlin
Partner
518.487.7697 phone
rmclaughlin@woh.com

November 27, 2023

Via Email

Hon. Todd Venning
City Manager and Chief Executive Officer
City of Newburgh
83 Broadway
Newburgh, New York 12550

RE: Property Transfer Request – November 6, 2023

Honorable Sir:

As you know, we represent the City of Newburgh Industrial Development Agency (the “Agency”). The Agency is in receipt of your letter dated November 6, 2023 (the “Request Letter”) which requested transfer of real property known as 145 Broadway (the “Property”) from the Agency to the City for municipal purposes and for nominal consideration. The Request Letter also noted that such transfer would be subject to a contract of sale and may require an amendment to the Agency real property disposition policy.

The Agency members discussed the Request Letter during the Agency meeting held on November 20, 2023. The Agency Board Members, while not opposed to the concept contained in the Request Letter, believe that they need more information as to both the intended municipal purposes for the Property by the City as well as the “nominal consideration” being contemplated. This information is necessary and consistent with the Agency’s mission and legislative purpose to promote employment opportunities, economic prosperity and sustainability for City residents through actively attracting, encouraging and developing new sound commerce, industry and projects which create jobs and net positive tax ratables. In addition, as discussed with your counsel (Jeremy Kaufman, Esq.), any such transfer is subject to the provisions of Section 2897(6)(d) of the Public Authorities Law which requires the Agency to submit a written explanation of the circumstances involving the disposal of property through a negotiated transaction to the Authorities Budget Office (“ABO”) at least 90 days prior to the scheduled date of transfer. Included in such explanation must be a justification for disposing of the Property by negotiation (as opposed to the public solicitation of bids). In providing the required justification

Hon. Todd Venning
November 27, 2023
Page 2 of 2

to the ABO, it would be helpful if the Agency could provide the study or analysis the City has conducted which justifies the intended municipal purpose(s) of the Property.

In the interest of an open and transparent process, on behalf of the Agency Members, we request a meeting between members of the City Council, the Agency Board Members, and you prior to the Agency's next Board meeting (December 13, 2023 at 6:00 PM) to further discuss the transfer and together to determine the justification for the transfer, the intended municipal purposes, and the identification of the nominal consideration so that the two governmental units can together conclude that the transfer is consistent with the mission of the Agency.

Very truly yours,



Robert J. McLaughlin

cc: Jeremy Kaufman, Esq.
Cherisse Vickers
City of Newburgh Industrial Development Agency

EXHIBIT C



CITY OF NEWBURGH

Office of the City Manager

83 Broadway, Newburgh, New York 12550
(845) 569-7301 • www.cityofnewburgh-ny.gov

December 7, 2023

VIA E-MAIL: RMcLaughlin@woh.com

Mr. Robert J. McLaughlin
Whiteman, Osterman & Hanna LLP
One Commerce Plaza
Albany, New York 12260

Re: City of Newburgh Property Transfer Request Response
Response Date: November 27, 2023

Mr. McLaughlin,

In response to your letter dated November 27, 2023, below please find the City's clarifications to the Agency's inquiries.

The municipal purpose for the property is a relocation of City Hall which includes the local government offices and the municipal services provided. The City proposes to purchase the property for ten dollars (\$10.00) because the City intends to use the property for its City Hall.

The City notes the necessity of an ABO justification pursuant to Section 2897(6)(d)(i)(D) of the Public Authorities Law ("PAL"), as real property is part of the consideration in the proposed transaction. Assuming the City Council and the Agency each approve an agreement for the conveyance of the property, the City will work with the Agency to draft a justification letter for joint submission to the ABO at a future date.

The City notes, and trusts that you have advised the Agency, that the Public Authorities Law explicitly allows for the transfer of real property without bid when "the disposal will be to the state or any political subdivision and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation" (see PAL §2897(6)(c)(iv)); and allows for the disposal of real property for less than fair market value where "the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity (see PAL §2897(7)(a)(i)). The PAL affords a clear path for the transfer of the property to the City in a manner that does not interfere with or contradict the Agency's regular mission and legislative purpose.

The invitation by the Agency to the City Council to attend the Agency's next meeting is not feasible. The Council has already authorized this office and other City departments to explore the acquisition of property for a new City Hall. In turn, this office will continue to explore this option and will advise the City Council accordingly.

Sincerely,



Todd Venning
City Manager/CEO

cc: City Council
IDA Board
Cherisse Vickers
Robert McLaughlin, Esq.
Jeremy Kaufman, Esq.

EXHIBIT D
CONTRACT OF SALE

CONTRACT OF SALE

Date: As of _____, 202__